

6 August 1952

MEMORANDUM FOR GENERAL SMITH

SUBJECT: PSB Staff Paper entitled "Report on Social
Science Research in Cold War Operations,"
as prepared by [] dated []
11 April 1952

REFERENCE: Memorandum from [] for DCI, subject
"Social Science Research," undated.

1. The background of this matter, as known to me, is as follows:

a. In the course of preparing subject Report, []
[] of the PSB staff held certain informal discussions
with [] who was then AD/RR. After some of
these conversations had been held, a formal request was
made on CIA (by memorandum dated February 14, 1952 from
[] to furnish research breakdown
figures for the purposes of his study.

b. The question of furnishing the requested infor-
mation was referred to Mr. Saunders, who advised Mr.
[] that CIA had not previously authorized dissemina-
tion of such figures outside CIA. Mr. Saunders further
advised that to make CIA fiscal information available for
the purposes of the survey as requested would be contrary
to special security arrangements in effect with the
Bureau of the Budget which, according to [] was
cooperating with [] in his study.

c. Upon being so advised, [] with the con-
currence of Mr. Wolf, wrote to [] under date of
5 March 1952, explaining the circumstances and referring
to the special security arrangements in effect with the
Bureau of the Budget, stating in part:

"I believe it most desirable in the light of the
above that any fiscal data concerning CIA be excluded
from the subject survey. I know you will appreciate
the importance of our taking all security measures
necessary to prevent disclosure of any fiscal in-
formation that might indicate the magnitude of the
Agency or any of its programs."

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d. [] letter of March 5 was reported in the Director's log as of 6 March and at the Deputies' meeting on that date the Director commented favorably on our refusal to give CIA budget figures to the PSB. General Smith indicated that all PSB required was to know what research was being done and where. PSB had no need to have any figures. This was noted of record by [] in his Diary of 6 March 1952.

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e. After receiving the CIA letter refusing to furnish these figures, [] and requested authority to have [] discuss the research problem generally with []. During this conversation, [] made it plain to []

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(1) That the DCI himself had disapproved the furnishing of the figures, and

(2) That CIA could not, in the light of the foregoing, agree to the inclusion of such figures in the proposed PSB Report.

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f. Notwithstanding this clear expression of the Director's views, the PSB Report as prepared by [] under date of 11 April 1952 contained references to CIA and figures respecting amounts allocated to research by CIA which, although rounded off, are generally accurate, as was determined by reference to Mr. Saunders.

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g. The PSB draft memorandum containing such figures was handcarried by [] to Mr. Dulles (who was not fully informed as to the foregoing background) with a request for clearance. [] did not inform Mr. [] that he had made this request of Mr. Dulles. Mr. Dulles, in turn, referred the Report to [] for comment.

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h. On April 23, 1952, [] called to Mr. [] attention, by phone, the fact that the [] Report in the form in which it was presented to Mr. Dulles was contrary to the understanding previously reached, which, on the part of CIA, was a position taken pursuant to specific instructions by the DCI. [] undertook to review the Report and consider deletion of all references to CIA. Under date of 23 April 1952, [] noted in his Official Diary:

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"Briefed Mr. Dulles respecting the PSB paper on research on cold war operations, which contained references to CIA directly contrary to the understanding that I had reached with [redacted] under instructions from the Director. Mr. Dulles took this up with [redacted] at lunch, and [redacted] later called me, at which time I suggested that all references to CIA be deleted. If any questions arose in the PSB, the General would be sitting as Chairman and could answer them as he saw fit. [redacted] undertook to have a talk with [redacted] and to inform me of what references they plan to make. He stated that this paper had not been distributed to anyone outside PSB, including the Budget Bureau. I made it plain that I felt that the paper in its present form was contrary to the understanding that we had reached."

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i. Thereafter, on May 2, 1952, [redacted] wrote to [redacted] stating that reexamination of the Report

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"*** has made us feel that the references in question are an essential part of the report and that we are consequently faced with either scrapping the report or submitting it with the references."

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j. After receiving this letter from [redacted], Mr. [redacted] addressed a memorandum to Mr. Wolf, giving the background of this situation and requesting that he be assured:

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(a) That the release of these figures in the form in which they were set out in the [redacted] draft report would be contrary to previously-established policy of CIA; and

(b) That such policy had theretofore been applied in dealings with the Budget Bureau.

k. On 7 May 1952, Mr. Wolf advised in reply

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"that the release of the budgetary amounts contained in the [redacted] draft Report is contrary to previously-established policy of the Agency and that we have a general understanding with representatives of the Bureau of the Budget that CIA budgetary information is not available for dissemination to other agencies and/or establishments."

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